

~~SECRET~~~~Security Information~~IWC Case No. 34
Submitted by
Army G-2 Member

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SMUGGLING FROM THE RYUKYUS

An inquiry was sent to the Far East Command (FEC) concerning subject, after some reports and inquiries were received about shipments of non-ferrous and ferrous scrap from the Ryukyus to Communist China and other areas. A summary of FEC's reply follows:

Extent and scope

Smuggling is a historical Ryukyuan problem. Early in 1951, FEC received information that fishing boats were smuggling commodities from the Ryukyus to Hong Kong. In addition, there has been some illegal water-traffic with Japan, Formosa, Phillipines, Macao, and possibly with Amoy and Swatow. The prevention of smuggling is difficult. The Ryukyus consist of a chain of 105 islands stretching over 600 miles. There is a lack of high-speed all-weather coastal patrol vessels. There is also a lack of satisfactory continuous perimeter highways. Indigenous authorities cannot be relied on in many cases and there is a shortage of military personnel. Nevertheless, measures have been taken which have reduced smuggling substantially and at the present time, smuggling of commodities which would assist the Chinese Communists is insignificant.

Types and Sizes of Cargo

Cargoes have included non-ferrous and ferrous metal scrap averaging 13 to 20 tons per vessel. About 80 percent of Ryukyuan vessels registering at Hong Kong have carried non-ferrous metal. In addition, small quantities of stolen POL and tires and post-exchange items have been smuggled.

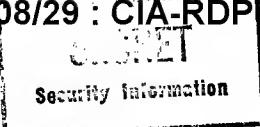
Origin and Destination of cargoes

Okinawa has been the main source of metal scrap. The scrap is salvaged from shell casings and war material abandoned on Okinawa during and after the war. Most of the metal scrap is smuggled to Hong Kong where scrap brass and other non-ferrous materials is consumed by local industries. Some of the stolen POL and tires have reportedly been dropped off on islands held by the Communists off the China coast.

Nationality of Personnel and vessels

Most of the vessels appear to be Japanese or Ryukyuan registry. The crews are generally Ryukyuan although some Chinese and Formosans are included.

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Recent Trends

In 1950, 60 vessels, 329 illegal entrants and 114 smugglers were apprehended. In 1951, 503 vessels, 479 illegal entrants and 169 smugglers were apprehended. In 1952, 142 vessels, 335 illegal entrants and 123 smugglers were apprehended. Smuggling is decreasing in volume and importance because security measures are more effective.

Countermeasures Taken

Control at the source has been the most effective. Four companies have been licensed in the Ryukyus to collect and dispose of metal scrap through approved channels. This has checked metal smuggled at the source. Tighter controls have been imposed over storage and transportation of POL and tires and pilferage at the present is a mere dribble. Vessels calling at Hong Kong are required to register at the U. S. Consulate office and information acquired at Hong Kong about smuggling is sent to Okinawa. A joint Army, Navy and Air Force committee has been established under the Ryukyus Command to control exit and entry of vessels and take other measures.

Summary

According to available information current smuggling operations between the Ryukyus and Communist China is on such a small scale that no significant aid is being provided to the Communists. In addition, smuggling to other areas has been reduced to a minimum considering the problems involved.

